Development (1952) Department.

Ms. SERIES.

G.O. No. 2604

Dated 20-6-1952

[Despatch Abstract.]

Textiles – yarn – Informal rationing of yarn – Suspension – Ordered

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(4)

Copy of letter No.RC.50750/52/D2 dated 27.5.52 from the Director of Controlled Commodities, to the Secretary to Government, Development Department, Fort St. George, Madras.

Sir,

Sub:- Textiles - Yarn - Tiruchirapalli District - Plight of handloom weavers due to inequitable distribution - representation form the handloom weavers.

Ref:- Government Memo.No.131417/MII/51.6 dt. 29.4.52.

So far as higher counts yarn spun out of foreign cotton is concerned, the mills have been permitted by the Textile Commissioner Bombay to sell the yarn to the licencees, processors and consumers, of their own choice, and the distribution on card system has therefore virtually been suspended. Distribution control now exists in respect of yarn spun from Indian cotton. The supply of this yarn is quite easy at present and I understand mills are offering this yarn when it lapses to them in the free market at prices slightly less than the ex-mill price. The demand from handloom weavers has contracted on account of the slump in the handloom trade. I discussed this matter with the Textile Commissioner, Bombay during my recent visit to the conference on the 12th and 13th and he told me that the cotton position was expected to be easy at least till the x end of December. This means that enough yarn will be available particularly in view of the fact that there is slump in the handloom cloth trade. There is therefore no harm in relaxing distribution control over Indian cotton yarn also as a temporary measure.

2. In the circumstances mentioned above, the proposal of Government may be given effect to and the distribution of yarn by card system may be suspended for a period of three months. Quotas to the districts will continue to be distributed and collectors will make distribution to dealers (excluding 'N' licensees) as till now, but the dealers will sell yarn without limit and to whoever approaches for it. There will be no question of issuing restricted quantities on cards. So far as I am able to see, there is not going to be any material advantage to be gained, since even now eavers who do not want any yarn are not lifting the yarn, while weavers who want more yarn are able to get what they want in the free market. Anyhow there is no objection to the proposal being tried for three months. The weavers will have to preserve the cards carefully for use if control has to be reintroduce again.

Sd.xx
For Director of Controlled Commidities.

/True copy/

SS/20.9.

20.9.52

GOVERNMENT OF MADRAS
ABSTRACT.

TEXTILES - Yarn - Informal rationing of yarn- Suspension - Ordered.

DEVELOPMENT DEPARTMENT.

G.O.Ms.No.~~2607~~ 2604. Dated: 20..6..1952.
Read the following:-

From the Director of Controlled Commodities.
L.Dis.No.Rc.50750-52/D2 dt. 27.5.52.

ORDER:

The Government direct that informal rationing of yarn in the state identity card system be suspended temporarily for a period of 3 months.

2. The Director is requested to issue necessary instructions to Collectors in the matter and also give publicity to the orders.

/By Order etc./

Sd.xx
Secretary to Government.

To
The Director of Controlled Commodities.
The All Collectors.
The Registrar of Co-Operative Society.

/True copy/

R Nagarajan 16.9.86
SUPERINTENDENT.
MADRAS RECORD OFFICE.

SS/20.9.

20.9.86